

Automated Sales Suppression

Skimming cash sales – a very old tax fraud

- Double tills
- Phantomware
- Zappers
- Next generation

What do you lose?

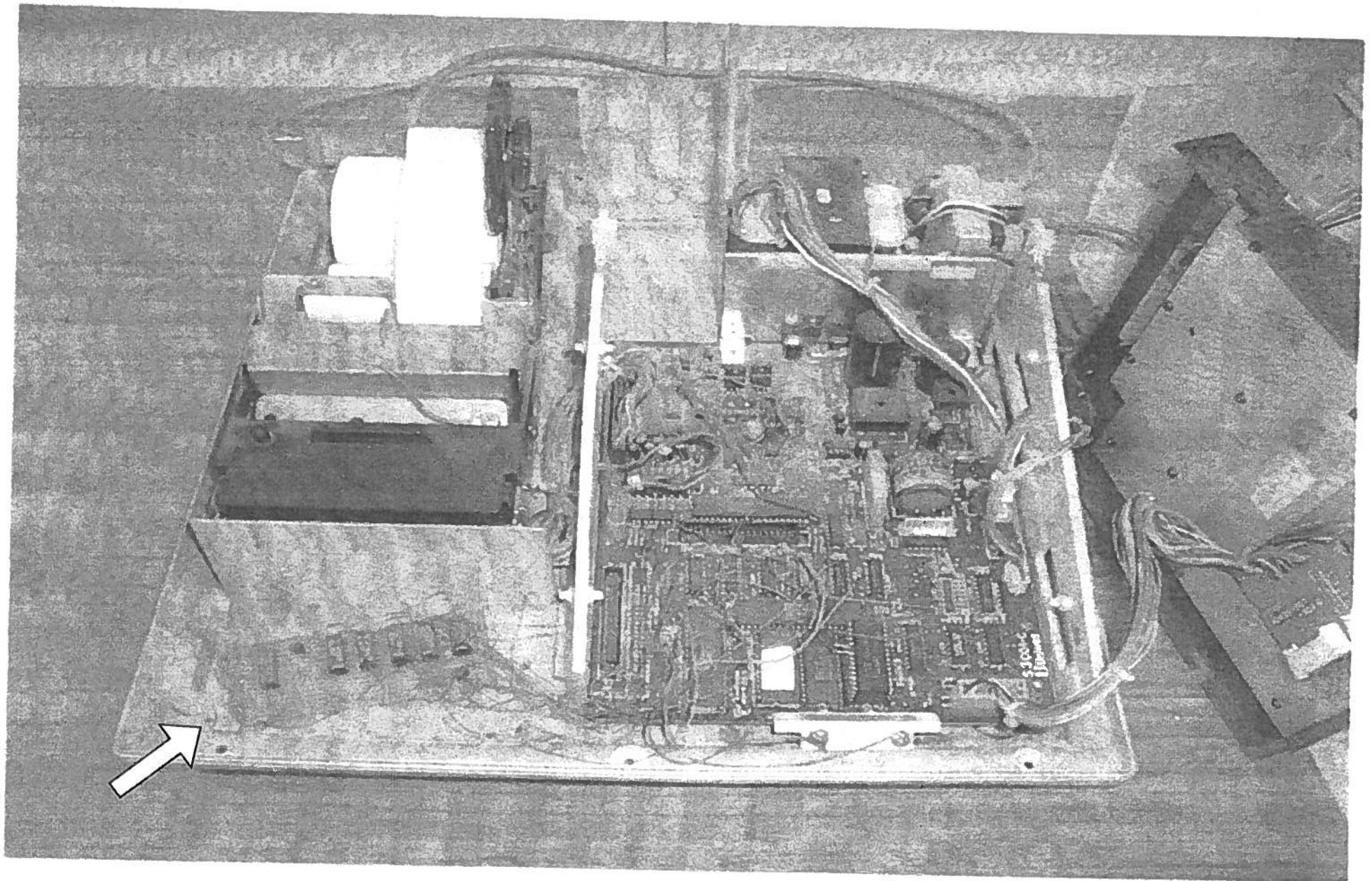
- Sales tax
- Business Income tax
- Personal Income tax
- Wage taxes
- And more

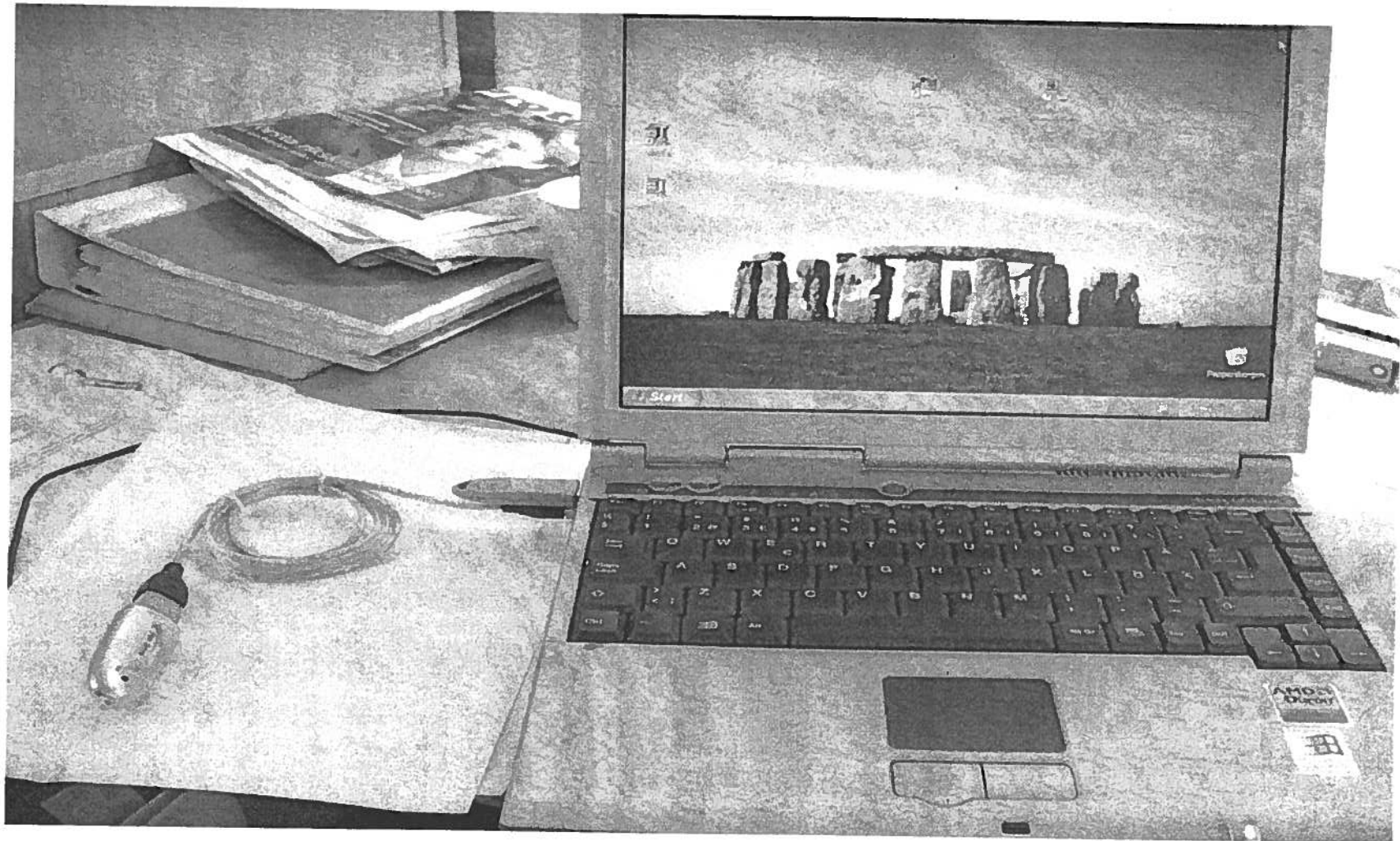
Where are you losing it?

- Restaurants
- Convenience stores
- Entertainment venues
- Anyplace with high volume cash transactions

Who is the “bad guy?”

- Choose one:
 - (1) ECR/POS maker
 - (2) Business owner
 - (3) Installer
- You need to know this when you draft the law





Back-Office PC

Notice the “dongle” (grey memory stick) protecting proprietary program

Notice the silver memory stick – this is the “zapper”

Restodata is programmed to automatically download all information about all transactions from all cash registers every morning at (for example) 5:00 am

A 334 1 4500?
 R 1 1 4500?
 X 1 1 900?
 C 0 2 OG
 D 0 1 1 1 1L
 -1103051113000002/1 450007670006001H
 F
 A 23 1 6800G
 R 1 1 6800D
 X 1 1 1360B
 C 0 2 OG
 D 0 1 1 1 1L
 -1103051120000003/1 680007676006001N
 F

Manipulated

A 21 1 6500H
 R 1 1 6500I
 X 1 1 1300P
 C 0 2 OG
 D 0 1 1 1 1L
 -1103051113000002/1 650007670006001H
Original

Comparison of the TIC-files – Manipulated & Original

Notice the “?” in the Manipulated version in contrast with the letters “H”, “I” & “P” in the original version. This one of the tell-tale signs of manipulation in this particular program. It may indicate that the system has not been correctly updated since the manipulation procedure.

How to read more?

- Google ----- “Ainsworth + Zapper”
- Richard T. Ainsworth
 - Boston University School of Law: Graduate Tax
 - ADP (International) Government Affairs
 - vatprof@bu.edu
 - Richard_Ainsworth@adp.com